API Well Number: 43047523990000

**STATE OF UTAH**
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3
AMENDED REPORT ☑

## APPLICATION FOR PERMIT TO DRILL

| | |
|---|---|
| **1. WELL NAME and NUMBER**<br>EM 3G-36-9-17 | |
| **2. TYPE OF WORK**<br>DRILL NEW WELL ◉ REENTER P&A WELL ○ DEEPEN WELL ○ | **3. FIELD OR WILDCAT**<br>EIGHT MILE FLAT |
| **4. TYPE OF WELL**<br>Oil Well Coalbed Methane Well: NO | **5. UNIT or COMMUNITIZATION AGREEMENT NAME** |
| **6. NAME OF OPERATOR**<br>QEP ENERGY COMPANY | **7. OPERATOR PHONE**<br>303 308-3068 |
| **8. ADDRESS OF OPERATOR**<br>11002 East 17500 South, Vernal, Ut, 84078 | **9. OPERATOR E-MAIL**<br>debbie.stanberry@qepres.com |
| **10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)**<br>ML51206 | **11. MINERAL OWNERSHIP**<br>FEDERAL ○ INDIAN ○ STATE ◉ FEE ○ |
| | **12. SURFACE OWNERSHIP**<br>FEDERAL ○ INDIAN ○ STATE ◉ FEE ○ |
| **13. NAME OF SURFACE OWNER (if box 12 = 'fee')** | **14. SURFACE OWNER PHONE (if box 12 = 'fee')** |
| **15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')** | **16. SURFACE OWNER E-MAIL (if box 12 = 'fee')** |
| **17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')** | **18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS**<br>YES ○ (Submit Commingling Application) NO ◉ |
| | **19. SLANT**<br>VERTICAL ◉ DIRECTIONAL ○ HORIZONTAL ○ |

| 20. LOCATION OF WELL | FOOTAGES | QTR-QTR | SECTION | TOWNSHIP | RANGE | MERIDIAN |
|---|---|---|---|---|---|---|
| LOCATION AT SURFACE | 660 FNL 1980 FWL | NENW | 36 | 9.0 S | 17.0 E | S |
| Top of Uppermost Producing Zone | 660 FNL 1980 FWL | NENW | 36 | 9.0 S | 17.0 E | S |
| At Total Depth | 660 FNL 1980 FWL | NENW | 36 | 9.0 S | 17.0 E | S |

| | | |
|---|---|---|
| **21. COUNTY**<br>UINTAH | **22. DISTANCE TO NEAREST LEASE LINE (Feet)**<br>660 | **23. NUMBER OF ACRES IN DRILLING UNIT**<br>640 |
| | **25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)**<br>2570 | **26. PROPOSED DEPTH**<br>MD: 5450 TVD: 5450 |
| **27. ELEVATION - GROUND LEVEL**<br>5309 | **28. BOND NUMBER**<br>965010695 | **29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE**<br>A36125/ 49-2153/ 43-11787 |

### Hole, Casing, and Cement Information

| String | Hole Size | Casing Size | Length | Weight | Grade & Thread | Max Mud Wt. | Cement | Sacks | Yield | Weight |
|---|---|---|---|---|---|---|---|---|---|---|
| SURF | 12.25 | 9.625 | 0 - 500 | 36.0 | J-55 ST&C | 0.0 | Premium Plus | 233 | 1.35 | 14.8 |
| PROD | 8.75 | 7 | 0 - 5450 | 26.0 | N-80 LT&C | 9.5 | Halliburton Light , Type Unknown | 440 | 2.95 | 11.0 |
| | | | | | | | 50/50 Poz | 190 | 1.24 | 13.5 |

### ATTACHMENTS

**VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES**

| | |
|---|---|
| ☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | ☑ COMPLETE DRILLING PLAN |
| ☐ AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE) | ☐ FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER |
| ☐ DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED) | ☑ TOPOGRAPHICAL MAP |

| | | |
|---|---|---|
| **NAME** Jan Nelson | **TITLE** Permit Agent | **PHONE** 435 781-4331 |
| **SIGNATURE** | **DATE** 02/24/2012 | **EMAIL** jan.nelson@qepres.com |

**API NUMBER ASSIGNED**
43047523990000

**APPROVAL**

Permit Manager



RECEIVED: August 08, 2012

# QEP Energy Company
## EM 3G36-9-17 Drilling Prog
## Summarized Procedure

1. MIRU Air Rig.
2. Drill to 500' and set 9-5/8" 36# J-55 STC casing and cement.
3. RDMO Air Rig.
4. MIRU Drilling Rig.
5. NU and test BOPE per regulation.
6. Drill an 8-3/4" vertical hole to 5,450' using water based drilling fluids.
7. Log with triple combo.
8. Run 7" 26# N-80 LTC casing to TD and cement.
9. RDMO Drilling Rig.
10. Release location to completions.

ONSHORE OIL & GAS ORDER NO. 1
QEP ENERGY, INC
EM 3G36-9-17
NENW Section 3 T9S R17E

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

## 1. Formation Tops

The estimated tops of important geologic markers are as follows:

| Formation | Depth |
|---|---|
| Uinta | Surface |
| Green River | 1,650' |
| Garden Gulch Mbr | 3,038' |
| Uteland Butte Mbr | 5,162' |
| TD | 5,450' |

## 2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

| Substance | Formation | Depth |
|---|---|---|
| Oil | Uteland Butte | 5,162' |

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right # A36125 (which was filed on May 7, 1964,) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at LaPoint Recycling and Storage in Section 12, T5S R19E of Uintah County, UT or Red Wash Disposal site; SESE, Section 28, T7S, R23E or West End Disposal Site; NESE, Section 28, T7S, R22E.

ONSHORE OIL & GAS ORDER NO. 1
QEP ENERGY, INC
EM 3G36-9-17
NENW Section 3 T9S R17E

DRILLING PROGRAM

**3. Operator's Specification for Pressure Control Equipment:**

A. 3,000 psi double gate and 3,000 psi annular BOP (schematic attached.

B. Functional test daily

C. All casing strings shall be pressure tested (0.22 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.

D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc…, for a 3M system and individual components shall be operable as designed.

**4. Casing Design:**

| Hole Size | Csg. Size | Top (MD) | Bottom (MD) | Wt. | Grade | Thread | Cond. |
|---|---|---|---|---|---|---|---|
| 20" | 16" | sfc | 40' | Steel | Cond. | None | New |
| 12-1/4" | 9-5/8" | sfc | 500' | 36 | J-55 | STC | New |
| 8-3/4" | 7" | sfc | 5,450' | 26 | N-80 | LTC | New |

| Casing Strength | | | | | | | |
|---|---|---|---|---|---|---|---|
| Size | Weight | Grade | Connection | Collapse | Burst | Tensile | Expected MW |
| 9 5/8" | 36 | J-55 | STC | 2,020 | 3,520 | 394,000 | Air |
| 7 | 26 | N-80 | LTC | 5,410 | 7,240 | 519,000 | 9.5 |

**MINIMUM DESIGN FACTORS*:**
*The casing listed meets or exceeds the following design factors.

COLLAPSE: 1.6
BURST: 1.6
TENSION: 1.8

Area Fracture Gradient: 0.7 psi/foot
Maximum anticipated mud weight: 9.5 ppg
Maximum surface treating pressure: 4,000 psi

ONSHORE OIL & GAS ORDER NO. 1
QEP ENERGY, INC
EM 3G36-9-17
NENW Section 3 T9S R17E

DRILLING PROGRAM

## 5. Auxiliary Equipment

A. Kelly Cock – yes

B. Float at the bit – no

C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show

D. Full opening safety valve on the rig floor – yes

E. Rotating Head – yes

If drilling with air the following will be used:

F. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.

G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').

H. Compressor shall be tied directly to the blooie line through a manifold.

I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

## 6. Testing, logging and coring program

A. Cores – none anticipated

ONSHORE OIL & GAS ORDER NO. 1
QEP ENERGY, INC
EM 3G36-9-17
NENW Section 3 T9S R17E

DRILLING PROGRAM

B. DST – none anticipated

C. Logging – Mud logging – 2000' to TD
Triple combo wireline logs at TD.

D. Formation and Completion Interval: Green River intervals, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

## 7. Cementing Program

**14" Conductor:**
Cement to surface with construction cement.

**9-5/8" Surface Casing: sfc – 500' (MD)**
**Lead/Tail Slurry:** 0' – 500'. 233 sks (313 cu ft) Premium Plus – Type III. Slurry wt: 14.8 ppg, Slurry yield: 1.35 $ft^3$/sk, Slurry volume: 12-1/4" hole + 100% excess.

**7" Production Casing: sfc - 5,450' (MD)**
**Lead Slurry:** 0' – 4,450'. 440 sks (1278 cu ft) Halliburton Light Cement. Slurry weight: 11.0 ppg, Slurry yield: 2.95 $ft^3$/sk, Slurry volume: 8.75" hole + 100% excess in open hole.
**Tail Slurry:** 4,450' – 5,450'. 190 sks (272 cu ft) 50/50 Poz Premium. Slurry wt: 13.5 ppg, Slurry yield: 1.24 $ft^3$/sk, Slurry volume: 8.75" hole + 75% excess.

*Final cement volumes to be calculated from caliper log.

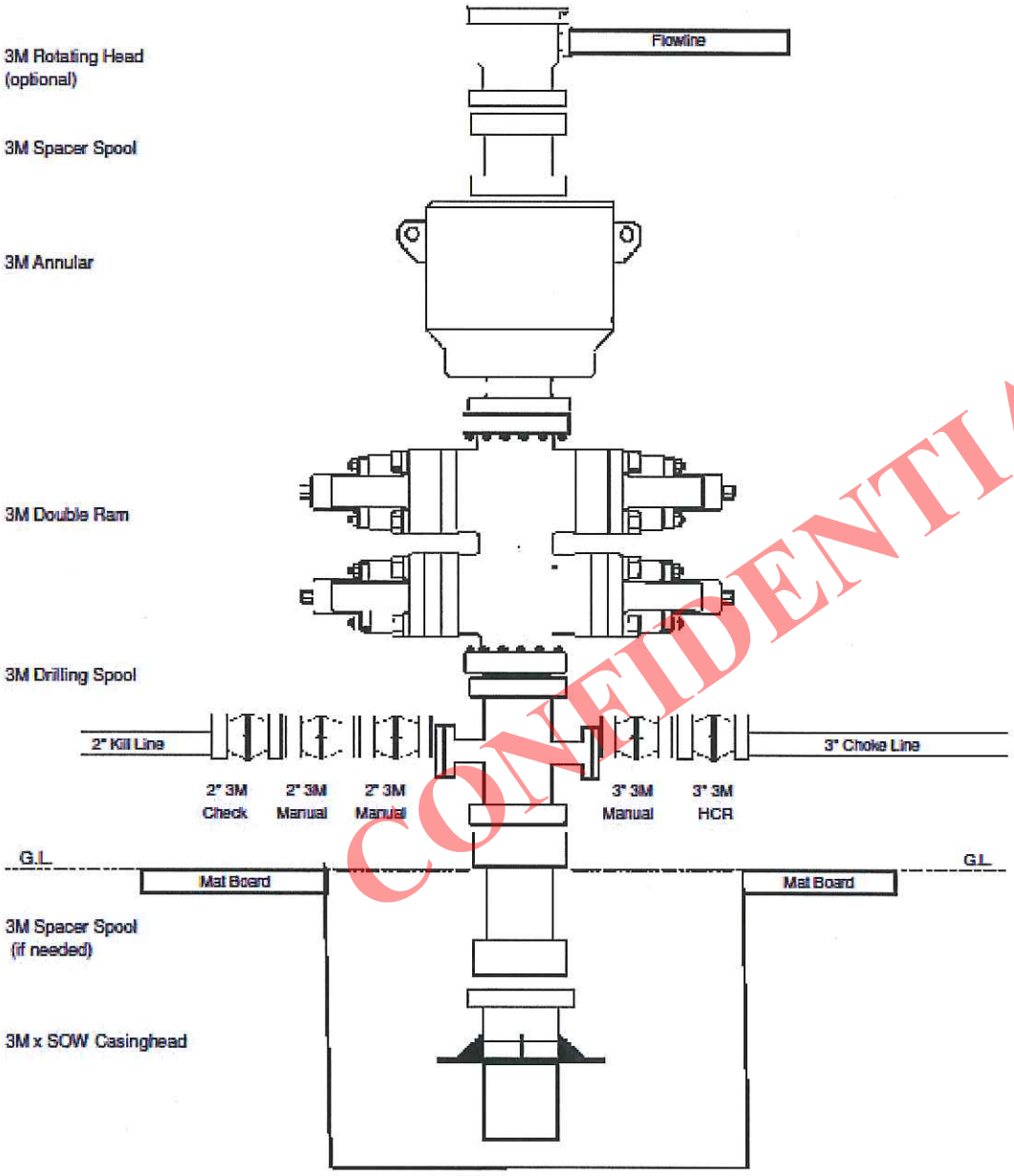
## 8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H2S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure is approximately 2,692 psi. Maximum anticipated bottom hole temperature is 140° F.

ONSHORE OIL & GAS ORDER NO. 1
QEP ENERGY, INC
EM 3G36-9-17
NENW Section 3 T9S R17E

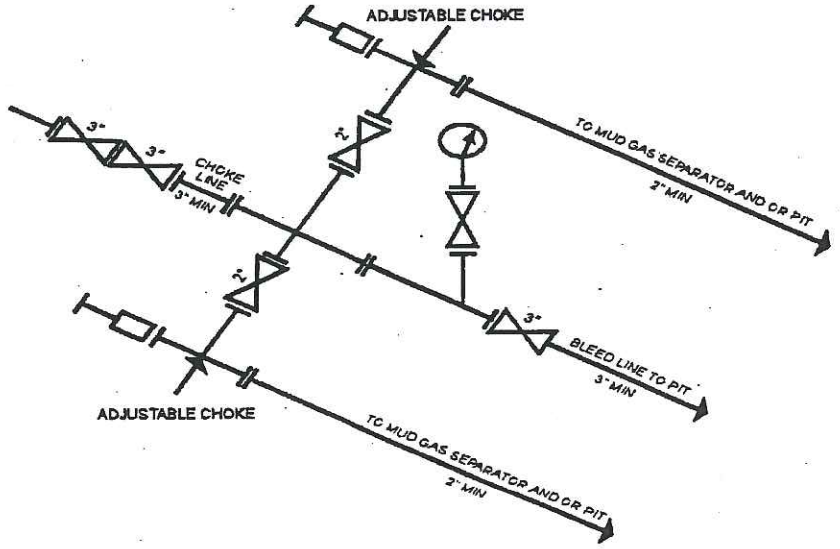
# DRILLING PROGRAM

**3M BOP x 3M Annular**
**Minimum Requirements**



ONSHORE OIL & GAS ORDER NO. 1
QEP ENERGY, INC
EM 3G36-9-17
NENW Section 3 T9S R17E

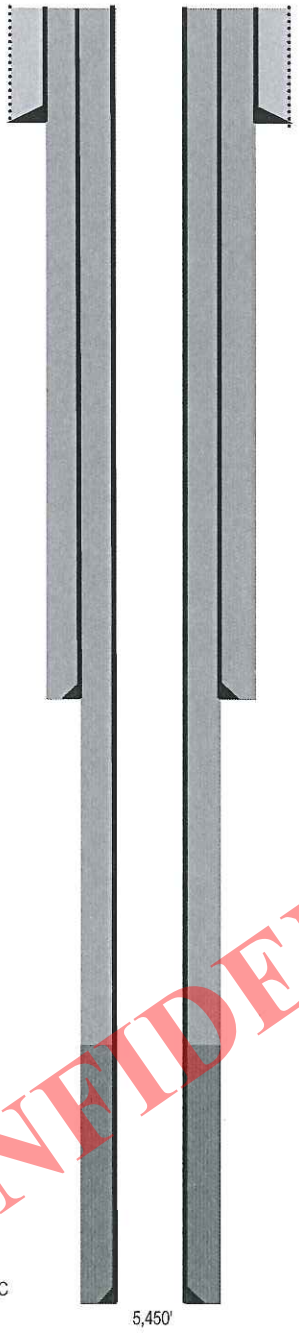
# DRILLING PROGRAM




3M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY
[54 FR 39528, Sept. 27, 1989]

Updated MPG 2/9/2012
Not to scale

**EM 3G16-9-17**
660' FNL & 1,980' FWL Sec 36 T9S R17E S.L.B.&M.
Uintah County, Utah
KB 5,322'
GL 5,308'



16" Conductor at 40'

Cemented to surface
Surface Casing Cement to Surface
Production Casing Cement to Surface

12-1/4" Open Hole

9-5/8" 36# J-55 @ 500'

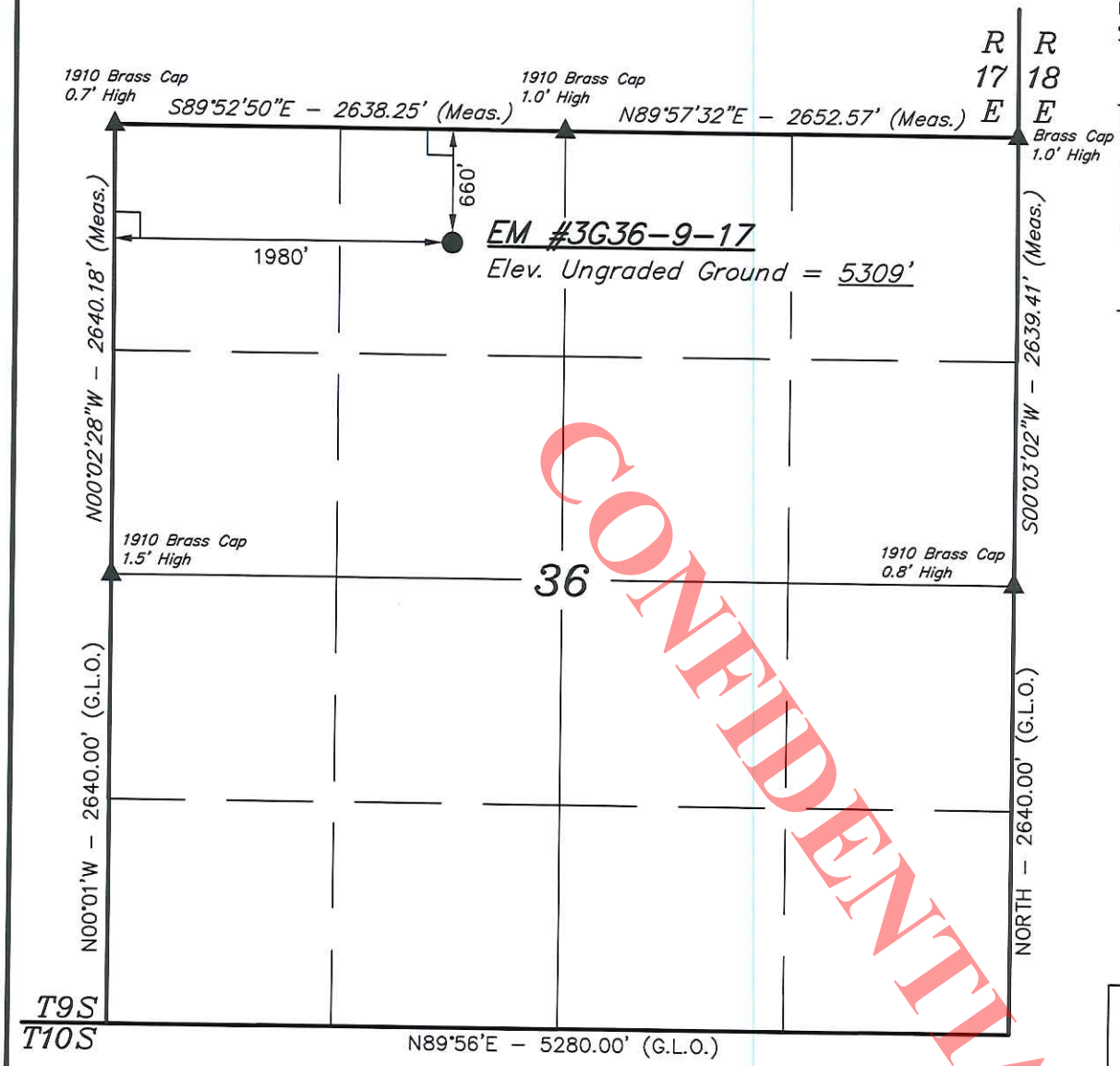
8-3/4" Open Hole

Top of Production Tail Cement @ 4,450'

7" 26# N-80 LTC

5,450'

# T9S, R17E, S.L.B.&M.






LEGEND:

└ = 90° SYMBOL

= PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 39°59'34.27" (39.992853)
LONGITUDE = 109°57'26.72" (109.957422)

(NAD 27)
LATITUDE = 39°59'34.40" (39.992889)
LONGITUDE = 109°57'24.19" (109.956719)

## QEP ENERGY COMPANY

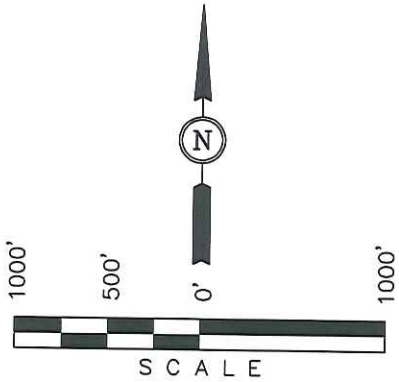
Well location, EM #3G36-9-17, located as shown in the NE 1/4 NW 1/4 of Section 36, T9S, R17E, S.L.B.&M., Uintah County, Utah.

## BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 14, T10S, R18E, S.L.B.&M., TAKEN FROM THE MOON BOTTOM QUADRANGLE, UTAH, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5129 FEET.

## BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.




## CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH
11-15-11

| UINTAH ENGINEERING & LAND SURVEYING<br>85 SOUTH 200 EAST – VERNAL, UTAH 84078<br>(435) 789-1017 | | |
|---|---|---|
| SCALE<br>1" = 1000' | DATE SURVEYED:<br>09-14-11 | DATE DRAWN:<br>09-21-11 |
| PARTY<br>A.F. M.H. J.M.H. | REFERENCES<br>G.L.O. PLAT | |
| WEATHER<br>WARM | FILE<br>QEP ENERGY COMPANY | |

API well Number: 43047523990000

API Well Number: 43047523990000

# QEP ENERGY COMPANY

## EM #3G36-9-17

**LOCATED IN UINTAH COUNTY, UTAH**
**SECTION 36, T9S, R17E, S.L.B.&M.**

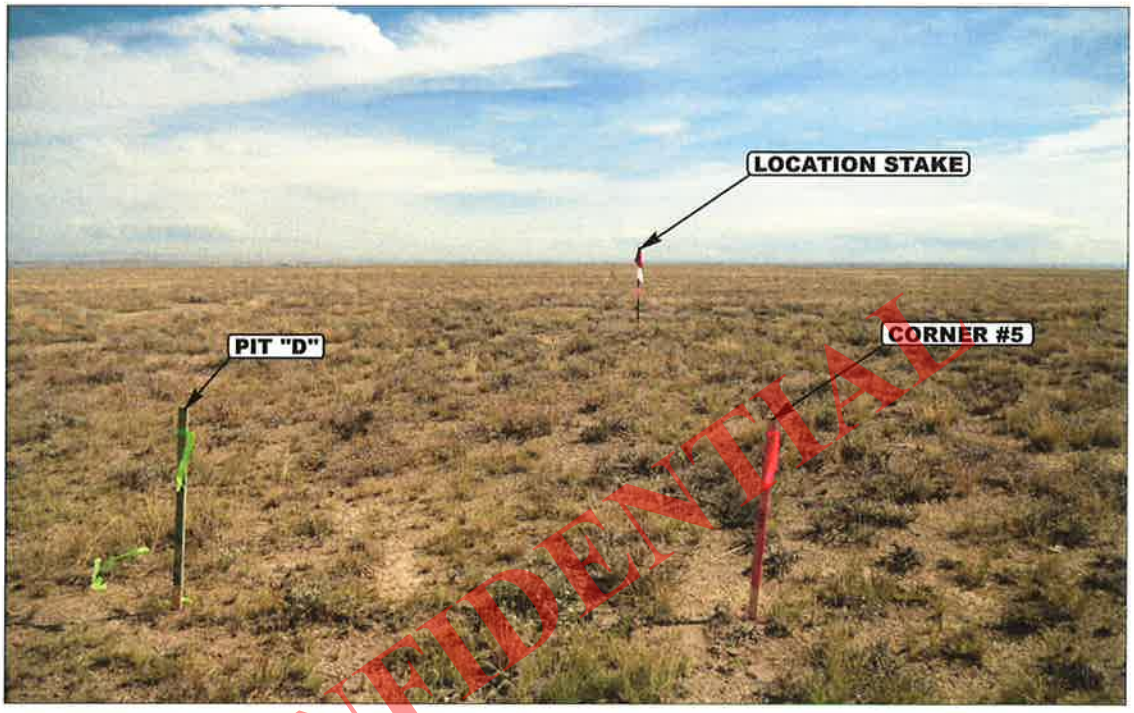





**PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE** **CAMERA ANGLE: EASTERLY**


**PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS** **CAMERA ANGLE: SOUTHERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

| LOCATION PHOTOS | 09 MONTH | 27 DAY | 11 YEAR | PHOTO |
|---|---|---|---|---|
| TAKEN BY: A.F. | DRAWN BY: S.F. | REVISED: 00-00-00 | | |

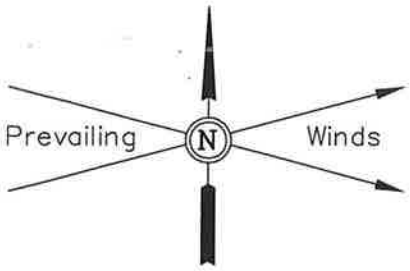
API Well Number: 43047523990000

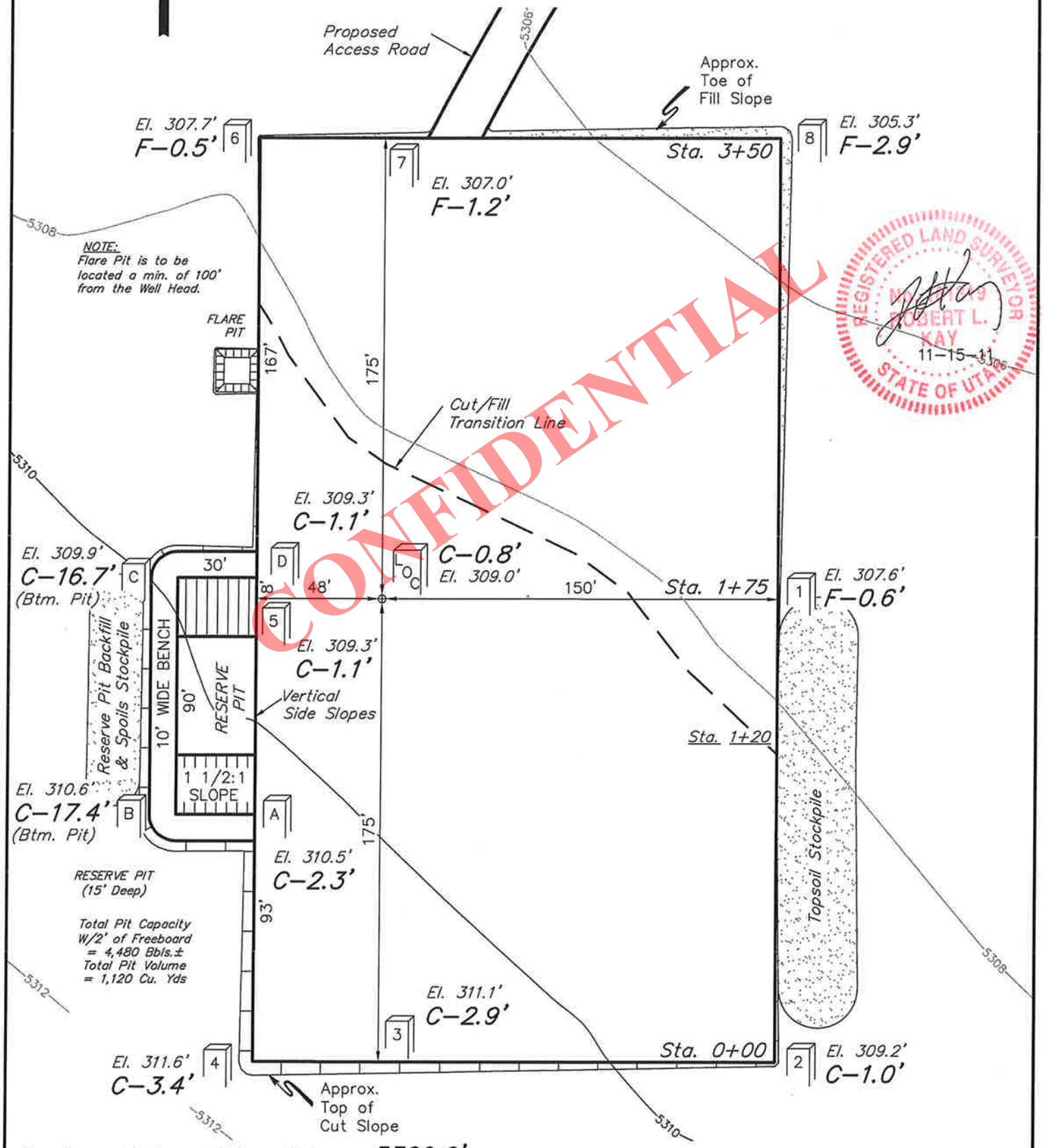
# QEP ENERGY COMPANY

## LOCATION LAYOUT FOR

EM #3G36-9-17
SECTION 36, T9S, R17E, S.L.B.&M.
660' FNL 1980' FWL

FIGURE #1
SCALE: 1" = 50'
DATE: 09-21-11
DRAWN BY: J.M.H.






REGISTERED LAND SURVEYOR
ROBERT L. KAY
11-15-11
STATE OF UTAH

Elev. Ungraded Ground At Loc. Stake = 5309.0'
FINISHED GRADE ELEV. AT LOC. STAKE = 5308.2'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

API Well Number: 43047523990000

# QEP ENERGY COMPANY

## TYPICAL CROSS SECTIONS FOR

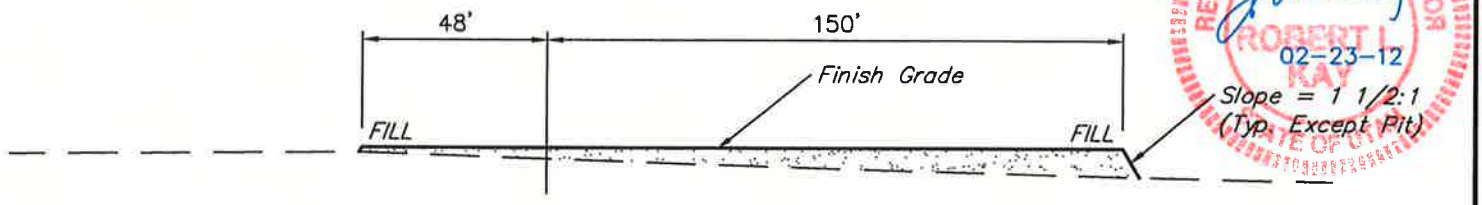
EM #3G36-9-17
SECTION 36, T9S, R17E, S.L.B.&M.
660' FNL 1980' FWL

FIGURE #2

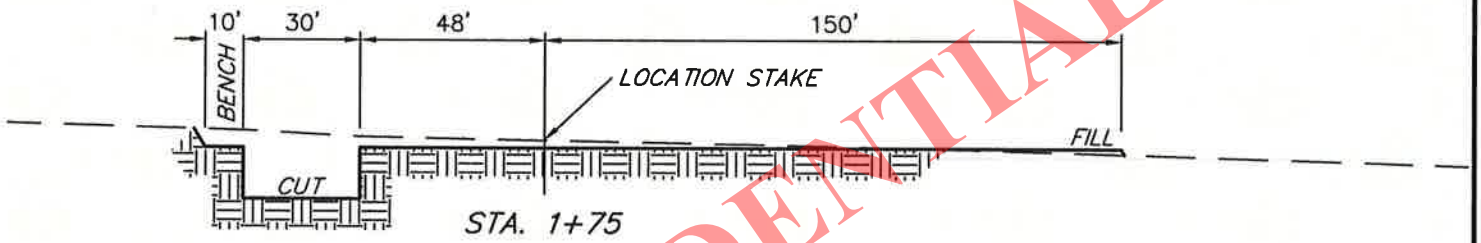
1" = 20'
X-Section Scale
1" = 50'

DATE: 09-21-11
DRAWN BY: J.M.H.
REVISED: 02-23-12

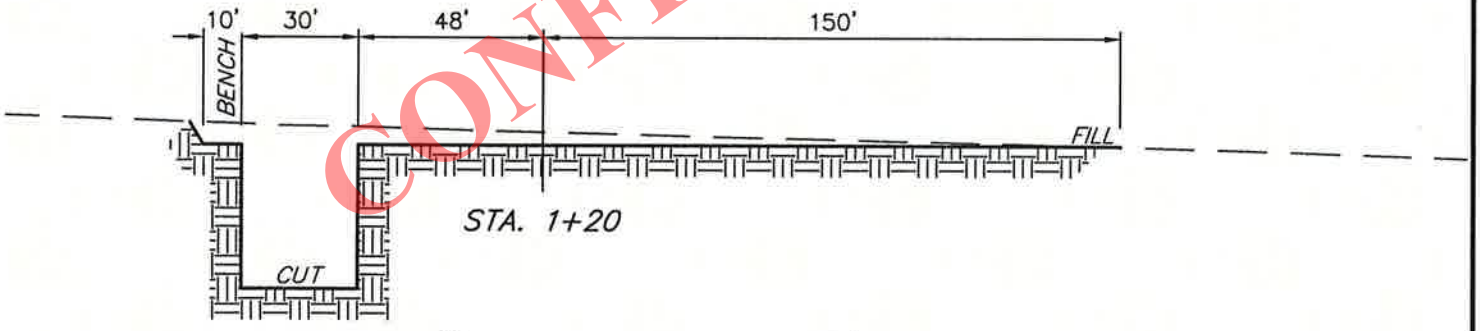
REGISTERED LAND SURVEYOR
161319
ROBERT L. KAY
02-23-12
STATE OF UTAH



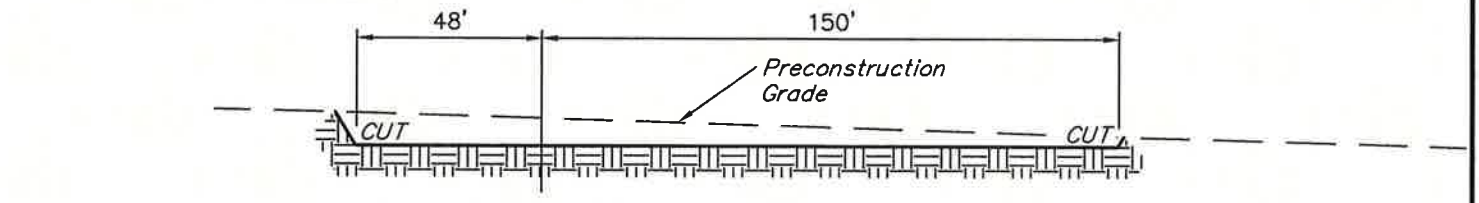

STA. 3+50




STA. 1+75




STA. 1+20




STA. 0+00



NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE ACREAGES
WELL SITE DISTURBANCE = ±1.910 ACRES
ACCESS ROAD DISTURBANCE = ±1.224 ACRES
TOTAL = ±3.134 ACRES

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

## APPROXIMATE YARDAGES

| | | |
|---|---|---|
| (6") Topsoil Stripping | = | 1,470 Cu. Yds. |
| Remaining Location | = | 2,490 Cu. Yds. |
| TOTAL CUT | = | 3,960 CU.YDS. |
| FILL | = | 1,930 CU.YDS. |

| | | |
|---|---|---|
| EXCESS MATERIAL | = | 2,030 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = | 2,030 Cu. Yds. |
| EXCESS UNBALANCE (After Interim Rehabilitation) | = | 0 Cu. Yds. |

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

API Well Number: 43047523990000

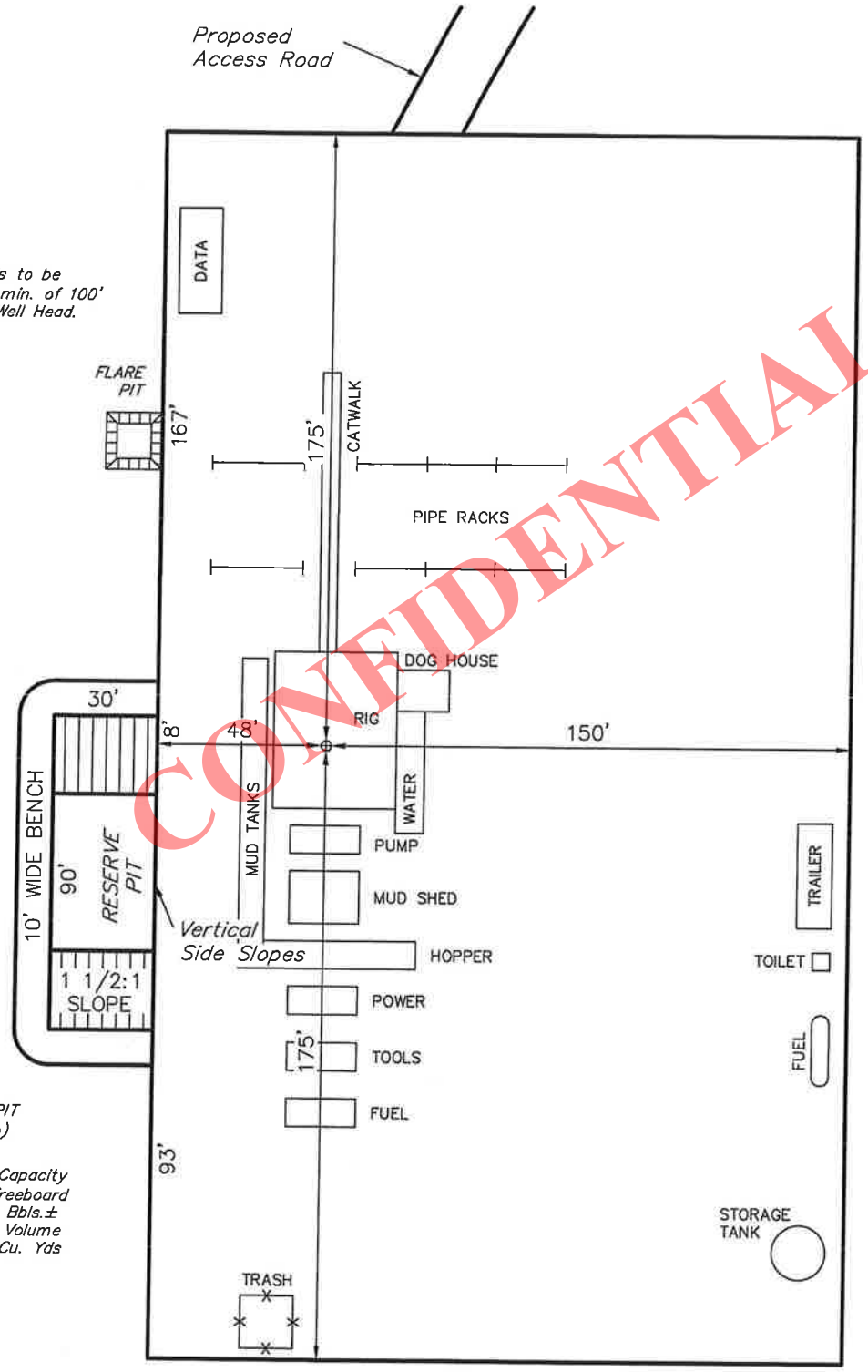
# QEP ENERGY COMPANY

## TYPICAL RIG LAYOUT FOR

EM #3G36-9-17
SECTION 36, T9S, R17E, S.L.B.&M.
660' FNL 1980' FWL

FIGURE #3
SCALE: 1" = 50'
DATE: 09-21-11
DRAWN BY: J.M.H.






NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

RESERVE PIT
(15' Deep)

Total Pit Capacity
W/2' of Freeboard
= 4,480 Bbls.±
Total Pit Volume
= 1,120 Cu. Yds



UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

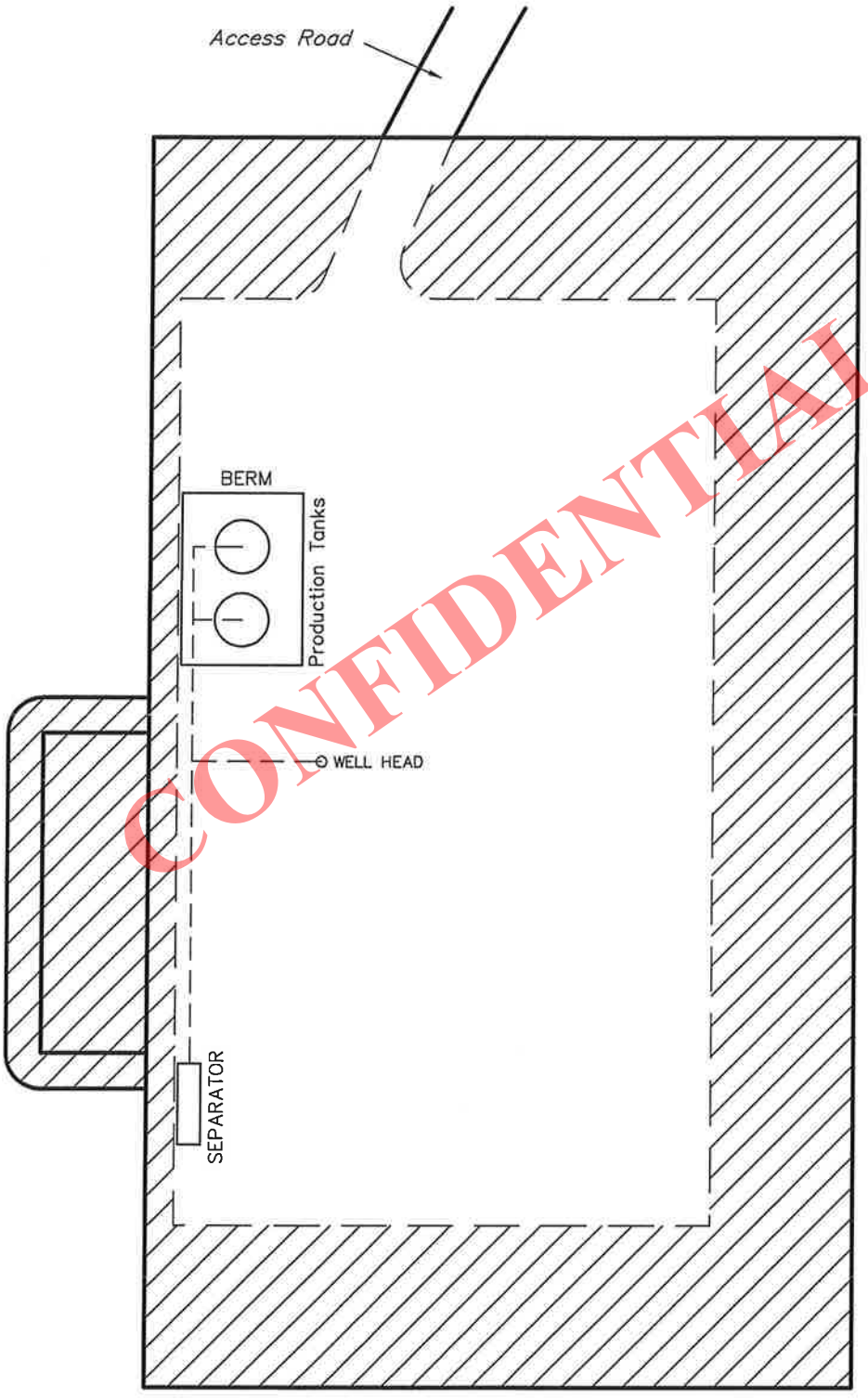
API Well Number: 43047523990000

# QEP ENERGY COMPANY

## PRODUCTION FACILITY LAYOUT FOR

EM #3G36-9-17
SECTION 36, T9S, R17E, S.L.B.&M.
660' FNL 1980' FWL

*FIGURE #4*
SCALE: 1" = 50'
DATE: 09-21-11
DRAWN BY: J.M.H.




REGISTERED LAND SURVEYOR
161319
ROBERT L. KAY
11-15-11
STATE OF UTAH



*APPROXIMATE ACREAGES*
*UN-RECLAIMED = ± 0.917 ACRES*

RECLAIMED AREA

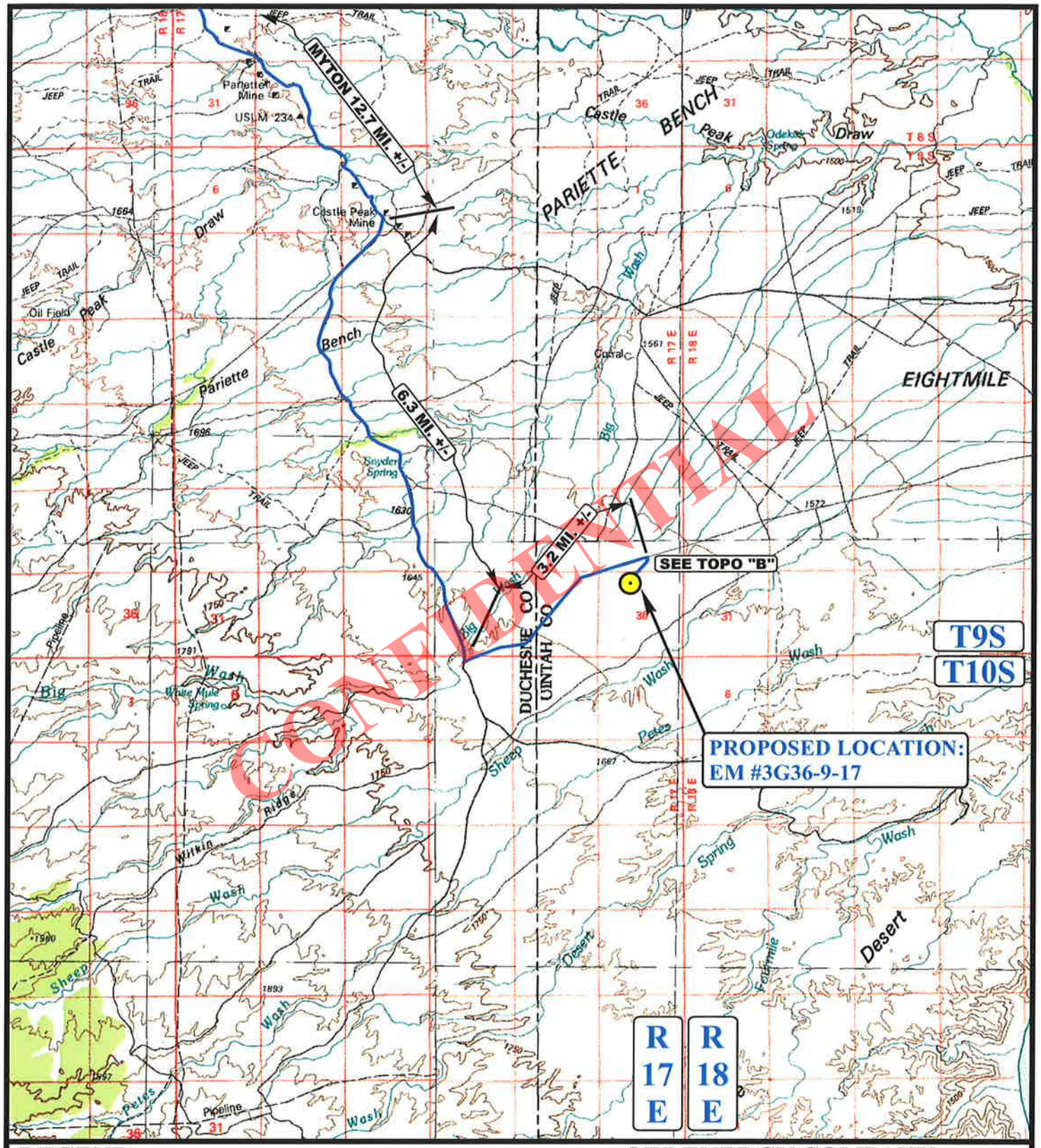
*UINTAH ENGINEERING & LAND SURVEYING*
*85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017*

# QEP ENERGY COMPANY
## EM #3G36-9-17
## SECTION 36, T9S, R17E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM MYTON, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 11.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 6.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1,787' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM MYTON, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 22.5 MILES.

API Well Number: 43047523990000




**LEGEND:**

PROPOSED LOCATION

N

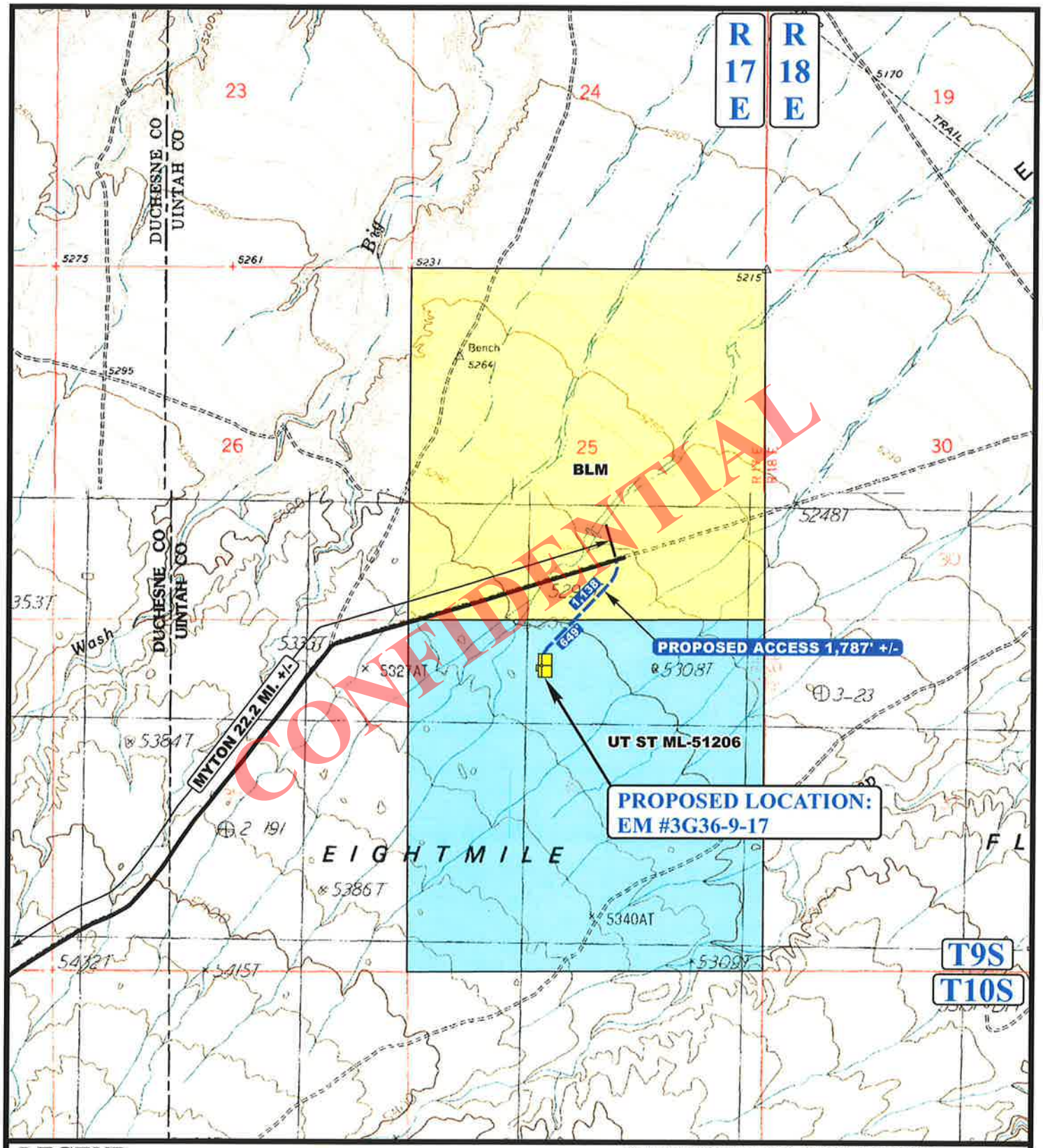
**QEP ENERGY COMPANY**

EM #3G36-9-17
SECTION 36, T9S, R17E, S.L.B.&M.
660' FNL 1980' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

| ACCESS ROAD MAP | 09 MONTH | 27 DAY | 11 YEAR | A TOPO |
|---|---|---|---|---|
| SCALE: 1:100,000 | DRAWN BY: S.F. | REVISED: 00-00-00 | | |

API Well Number: 43047523990000




**LEGEND:**

EXISTING ROAD

PROPOSED ACCESS ROAD

N

**QEP ENERGY COMPANY**

EM #3G36-9-17
SECTION 36, T9S, R17E, S.L.B.&M.
660' FNL 1980' FWL


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

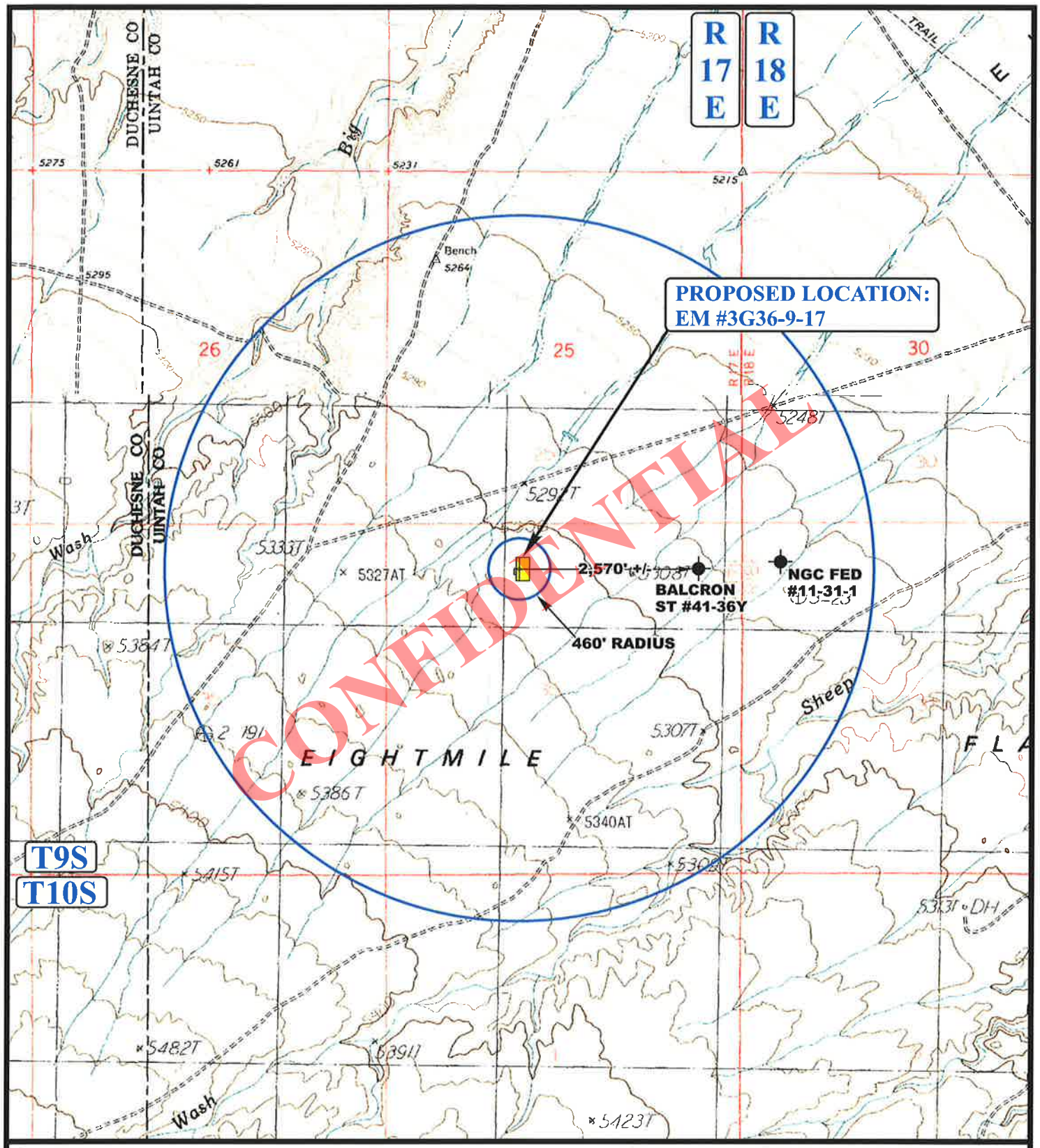

ACCESS ROAD MAP

09 MONTH | 27 DAY | 11 YEAR

SCALE: 1" = 2000' | DRAWN BY: S.F. | REVISED: 00-00-00

B TOPO

API Well Number: 43047523990000




## LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

## QEP ENERGY COMPANY

EM #3G36-9-17
SECTION 36, T9S, R17E, S.L.B.&M.
660' FNL 1980' FWL


Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813


TOPOGRAPHIC MAP | 09 MONTH | 27 DAY | 11 YEAR

SCALE: 1" = 2000' | DRAWN BY: S.F. | REVISED: 00-00-00

C TOPO

**EM 3G-36-9-17**
**NENW, SECTION 36, T9S, R17E**
**660' FNL, 1980' FWL**
**UINTAH COUNTY, UT**
**LEASE # ML-51206**

**ONSHORE ORDER NO. 1**
**MULTI-POINT SURFACE USE & OPERATIONS PLAN**

1. **Existing Roads**:

See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

The proposed well site is located approximately 23 miles south of Myton, Utah. -See attached TOPO Map "A".

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

QEP Energy will obtain a right-of-way through the Vernal BLM Office for the portion of the road that travels into state lease. The portion of road that is on BLM lands is approximately 1,138' +/- in length.

2. **Planned Access Roads**:

New access roads on State surface will be crowned (2 to 3%), ditched, and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Any additional disturbance required due to intersections or sharp curves will be discussed at the on-site and approved by the State.

Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Surface disturbance and vehicular traffic will be limited to the approved location and access route or, as proposed by the Operator.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards.

If culverts are needed, the location and size of the culverts will be proposed during the on-site. The operator will clean and maintain approved culverts as needed.
All drainage ditches and culverts will be kept clear and free-flowing and will be maintained according to original construction standards.

The access road disturbed area will be kept free of trash during operations. All traffic will be confined to the approved road running surface. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause excess siltation or accumulation of debris in the drainage nor shall the drainage be blocked by the roadbed.

Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, the holes shall be filled in and detours around the holes avoided.



RECEIVED: February 24, 2012

When snow is removed from the road during the winter months, the snow should be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

Refer to Topo Map B for the location of the proposed access

**3. Location of Existing Wells Within a 1-Mile Radius**:

A map will be provided with the site-specific APD showing the location of existing wells within a one mile radius.

Please refer to Topo map C.

**4. Location of Existing and Proposed Facilities:**

The following guidelines will apply if the well is productive.

A containment dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of compacted impervious subsoil; hold 110% of the capacity of the largest tank; and, be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded to meet SPCC requirements with approval by the BLM/VFO AO. The specific APD will address additional capacity if such is needed due to environmental concerns. The use of topsoil for the construction of dikes will not be allowed.



All loading lines will be placed inside the berm surrounding the tank batteries.

All permanent (on site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a color approved by the State.

**5. Location and Type of Water Supply**:

Fresh water will be obtained from Wonsits Valley water right # A36125 (which was filed on May 7, 1964,) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. Fresh water may also be obtained from Neil Moon Pond, water right #43-11787, or Myton City Water, Myton, Utah.

**6. Source of Construction Materials**:

Surface and subsoil materials in the immediate area will be utilized.
Any gravel will be obtained from a commercial source.

**7. Methods of Handling Waste Materials**:

RECEIVED: February 24, 2012

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids including salts and chemicals will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be used at the next drill site or will be removed and disposed of at an approved waste disposal facility within 6 months after drilling is terminated. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Unless specified in the site specific APD, the reserve pit will be constructed on the location and will not be located within natural drainages, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

It was determined at the on-site inspection that a pit liner is necessary; the reserve pit will be lined with a synthetic reinforced liner, a minimum of 20 millimeters thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap will be disposed of in the pit.

Reserve pit leaks are considered an undesirable event and will be orally reported to the AO.

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 90 days.

After the 90 day period, the produced water will be contained in tanks on location and then hauled by truck to the following pre-approved disposal site:

Lapoint Recycle & Storage located in Sec. 12, T5S, R19E, Uintah County, UT.

Produced water, oil, and other byproducts will not be applied to roads or well pads for control of dust or weeds. The dumping of produced fluids on roads, well sites, or other areas will not be allowed.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site. The spills will be reported to the AO and other authorities as appropriate.

A chemical porta-toilet will be furnished with the drilling rig. The chemical porta-toilet wastes will be hauled to Ashley Valley Sewer and Water System for disposal.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. Trash will not be burned on location. All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig. All trash and waste material will be hauled to the Uintah County Landfill.



RECEIVED: February 24, 2012

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of wells. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of wells within these areas. Specific APD's shall address any modifications from this policy.

**8. Ancillary Facilities**:

This will be an independent well location. Product will be contained in two 500 bbl tanks and then transported from location to delivery site.

A suitable muffler will be installed on pumping unit to help reduce noise control.

**9. Well Site Layout**:

A Location Layout Diagram describing drill pad cross-sections, cuts and fills, and locations of mud tanks, reserve pits, flare pit or flare box, pipe racks, trailer parking, spoil dirt stockpile(s), and the surface material stockpile(s) will be included with the site specific APD.

Please see the attached diagram rig orientation, parking areas, and access roads, as well as the location of the following:

The reserve pit.

The stockpiled topsoil will not be used for facility berms. All brush removed from the well pad during construction will be stockpiled with the topsoil.

The flare pit or flare box will be located downwind from the prevailing wind direction.

Any drainage that crosses the well location will be diverted around the location by using ditches, water diversion drains or berms. If deemed necessary at the on-site, erosion drains may be installed to contain sediments that could be produced from access roads and well locations.

**10. Fencing Requirements**:

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence. The net wire shall be no more than two



RECEIVED: February 24, 2012

inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched using a stretching device before it is attached to corner posts.

The reserve pit will be fenced on three (3) sides during drilling operations. The fourth side will be put in place when the rig moves off location. The pit will be fenced and maintained until it is backfilled. If drilling operations does not commence within 3 days, the fourth side of the fence will be installed.

**11. Reclamation Plan**:

**Long-Term Reclamation**

Long-term reclamation will be conducted on all disturbed areas no longer required for field operations. This includes unnecessary portions of the well pads after completion and throughout the well's production period, road outslopes, and pipeline corridors. Long-term reclamation will be conducted on pads and roads for non-producing wells and on pads for wells that have reached the end of their productive life (includes facility removal and complete well pad and access road reclamation). Because long-term reclamation will occur throughout the life of the project, this plan does not differentiate between "interim" and "final" reclamation. All long-term reclamation is considered final unless monitoring shows the need for additional reclamation action. Long-term reclamation will return as much of the well pad as possible to its predisturbance condition as quickly as possible. Long-term reclamation will increase habitat patch sizes and reduce habitat fragmentation for sagebrush obligate species.

**Temporary Reclamation, Soil Stabilization, and Erosion Control**

Topsoil that will be stored more than 2 years before long-term reclamation begins will be stabilized and windrowed, where possible, to a depth of 2 – 3 feet at a specified location near the margin of the well site as determined at the on-site inspection.

- Windrowed topsoil will then be broadcast-seeded with an approved seed mixture and raked or dragged with a chain, immediately after windrowing.
- Other erosion control techniques will be applied where necessary and may include:
    - diversion ditch design and construction



RECEIVED: February 24, 2012

- sediment control basin design and construction
- straw or hay bale check dams
- rock check dams
- sediment fence
- energy dissipaters

All runoff and erosion control structures will be inspected, maintained, and cleaned-out by the Operator on a regular basis throughout the life of the project. Inspections will occur after runoff events (e.g., spring runoff, storm events).

Topsoil and Spoil Handling

Topsoil will be salvaged from all proposed disturbance areas and stockpiled separately from subsoil materials. Topsoil salvaged from the reserve pit will be stockpiled separately near the reserve pit.

Topsoil stockpiles will be adequately protected until replaced on the surface during reclamation. Temporary erosion control measures such as temporary vegetation cover, application of mulch, netting, or soil stabilizers may be used in some areas to minimize wind and water erosion and sedimentation prior to vegetation establishment.



**Surface Preparation**

Backfilling, Grading, and Contouring

Areas to be reclaimed will be graded to approximate original contours and to blend in with adjacent topography. Area-wide drainage will be restored so that surface runoff flows and gradients are returned to the condition present prior to development. Graded surfaces will be suitable for the replacement of a uniform depth of topsoil, will promote cohesion between subsoil and topsoil layers, will reduce wind erosion, and will facilitate moisture capture. Specialized grading techniques may be applied, if warranted, and could include slope rounding, bench grading, stair-step grading/terracing, and/or contour furrowing.

Dozers, loaders, scrapers, and motor graders are typically used for backfilling and grading.

Reserve Pit Evaporation

After the well has been completed and is put into production, the reserve pit will be evaporated. Depending on the time of year and precipitation accumulations, the reserve pit may evaporate naturally. If the reserve pit will not evaporate naturally within one summer season (i.e., June – August) after drilling is completed, alternative evaporation techniques may be applied. Some alternative techniques may include:

- Trickle Systems

RECEIVED: February 24, 2012

- Evaporation Misters and Aerators
- Evaporation Ponds (with approved regulatory filings)
- Pit Solidification
- Water Hauling
    - Haul non-reusable water to an approved disposal facility.
    - Haul or polypipe re-useable water to another reserve pit to be used in the drilling process; water filters may be used if necessary.

Once the reserve pit is as dry as possible, all debris in the pit will be removed. Excess pit liner will be cut off and removed and the remaining liner will be torn and perforated while backfilling the pit. The liner will be buried to a minimum of 4 feet deep. The reserve pit will be backfilled and recontoured to blend with the natural landscape. The reserve pit will be crowned convexly to allow for settling and prevent standing water.



Ripping and Disking

Compacted areas such as roads and well pads will be ripped to a depth of 12 – 18 inches to improve soil aeration, water infiltration, and root penetration. Ripped areas will be disked, if necessary, to fill in deep furrows (where topsoil would be lost) and break up large clods (to which topsoil will not adhere).

Motor graders or tractors equipped with ripping shanks are typically used for ripping. Ripper shanks will be set approximately 1 – 2 feet apart. Disking is typically accomplished using a tractor-drawn disc set 2 – 6 inches deep.

**Seedbed Preparation**

Seedbed preparation maximizes seeding efficiency and improves reclamation success. It includes topsoil replacement and various cultivation techniques. Cultivation techniques may include one or more of the following:

- plowing
- chisel plowing
- disking
- chaining
- rotary hoeing
- harrowing
- cultipacking
- extreme surface roughening
- pitting

Topsoil Replacement

Waterbars and erosion control devices will be installed on reclaimed areas prior to topsoil replacement, as necessary, to control topsoil erosion. Stockpiled topsoil will be redistributed uniformly on areas to be reclaimed.

RECEIVED: February 24, 2012

Topsoil is typically replaced using scrapers, dozers, and/or motor graders.

**Seeding**

Once the topsoil is replaced, seeding will occur generally between September 15 and freeze-up. If fall seeding is not feasible, seeding may occur between spring thaw and May 15. Seeding will not be applied to wet or frozen ground. In this circumstance, seeding will take place when the ground dries or thaws to the point where soils are friable.

Reclaimed areas will be seeded with seed mixtures that will restore disturbed sites so that they closely resemble pre-disturbance plant communities. Seed mixtures will be developed based on the following criteria: general conditions within the analysis area, species adaptations to site condition, usefulness of the species for rapid site stabilization, species success in past revegetation efforts, and seed costs and availability.

The seed mixture and seeding rates will be recommended by the State authorized officer (AO) at the on-site inspection and included in the Application for Permit to Drill (APD) or Right-of-Way (ROW). Alternative species and seeding rates may be used at the Operator's discretion with State approval, if warranted by site-specific conditions or seed availability, provided that the alternative species/seeding rates facilitate achieving reclamation success and all modifications are documented.

Seed mixtures will be certified weed-free.

Seed will be drilled on the contour to an appropriate depth. When drill-seeding is not practical due to steep slopes or rocky surfaces, seeding rates would be doubled, seed would be broadcast, and the area would be raked, "walked" with tracked equipment, or dragged with a chain or harrow to cover seed.

**Mulching**

Dry mulch may be considered as one method to enhance the reestablishment of desired plant communities. Where mulching is deemed appropriate, the reclaimed area will be uniformly mulched with certified weed-free grass, hay, small grain straw, wood fiber, and/or live mulch at a rate of 1.5 - 2 tons/acre. Alternatively, cotton, jute, or synthetic netting could be applied. Mulch will be crimped into the soil, tackified, or incorporated into erosion control blankets to prevent it from blowing or washing away and from entering waterways. Mulch will protect the soil from wind and water erosion, raindrop impact, and surface runoff and will help to hold seeds in place.

Alternative mulching techniques may be considered on steep slopes where it is unsafe to operate equipment, at sites where soils have 35 percent or more surface rock content, or on notably unstable areas. Alternative techniques may include hydromulch, biodegradable erosion control netting, or matting and will be firmly attached to the surface.



RECEIVED: February 24, 2012

**Monitoring**

QEP will monitor the success of interim and final reclamation. QEP will monitor the success of reclamation with documentation for 3 years. If QEP and an authorized officer for the State determine the reclamation has not been successful after the second growing season, QEP will take remedial action.

**Debris**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

**Weed Control**

The Operator will be responsible for noxious and invasive weed control from all project activities for the life of project. If use of herbicides is deemed necessary by Operators, a Pesticide Use Permit will be submitted for approval to the BLM. Herbicides will be used only in the season or growth stage during which they are most effective. Herbicides will be applied only by certified personnel using approved precautionary and application procedures in compliance with all applicable federal, state, and local regulations. Herbicides will not be used within 100 feet of open water or during extremely windy conditions. Aerial application of herbicides will be prohibited within 0.25 mile of known special status plant species locations and hand application of herbicides will not occur within 500 feet of such occurrences. Certified weed-free seed mixtures and mulches will be used, thereby minimizing the potential for noxious weed introduction.
Mowing may be considered as an alternative to herbicide applications. Mowing would be implemented prior to seed head establishment or bloom.

A weed control program will be applied to all existing and proposed access roads, pipeline ROWs, and well pads. Weed control involves annual treatments that are monitored and continued until desirable vegetation out-competes invasive or noxious weeds.

**Dry Hole/Abandoned Location**

On lands administered by the BLM abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions may include the reestablishment of irrigation systems; reestablishment of appropriate soil conditions; and, the reestablishment of vegetation as specified.

All disturbed surfaces will be recontoured to approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment.

At final abandonment, the Operator will cap the casing with a metal plate a minimum of 0.25 inch thick. The cap will be welded in place and the well location



RECEIVED: February 24, 2012

and identity will be permanently inscribed on the cap. The cap will be constructed with a weep hole. The depth of the permanent cap will be determined at the time of final abandonment. Long-term reclamation will then be applied and will follow the reclamation process described in this plan. When reclamation is deemed successful by the Operator and the BLM, the Operator will request a bond release.

**12. Surface Ownership**:

The well pad and access road are located on lands owned by:
State of Utah
Trust Lands Administration
675 East, 500 South – Suite 500
Salt Lake City, UT. 84102

**13. Other Information**:

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of the report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. The report has been assigned **State of Utah Antiquities Project 11-U-MQ-1141b,s**. Cultural resource clearance has been recommended for this project. If these surveys identify areas with a high probability of encountering potentially significant subsurface archaeological sites, QEP would provide a qualified archaeologist to monitor surface disturbance. If historic or archaeological materials are uncovered during construction, the Operator is to immediately stop work that might further disturb such materials and contact the Authorized Officer.

A Class III paleontological survey was conducted by Intermountain Paleo Consulting. A copy of this report was submitted on November 16, 2011, **Report No. IPC 11-167**. The inspection resulted in the location of no fossil resources. However, if vertebrate fossil(s) are found during construction a paleontologist should be immediately notified. QEP will provide Paleo monitor if needed.



RECEIVED: February 24, 2012

API Well Number: 43047523990000

**Lessee's or Operator's Representative & Certification:**

Jan Nelson
Permit Agent
QEP Energy Company
11002 East 17500 South
Vernal, UT 84078
(435) 781-4331

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

QEP Energy Company is considered to be the operator of the subject well.
QEP Energy Company agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

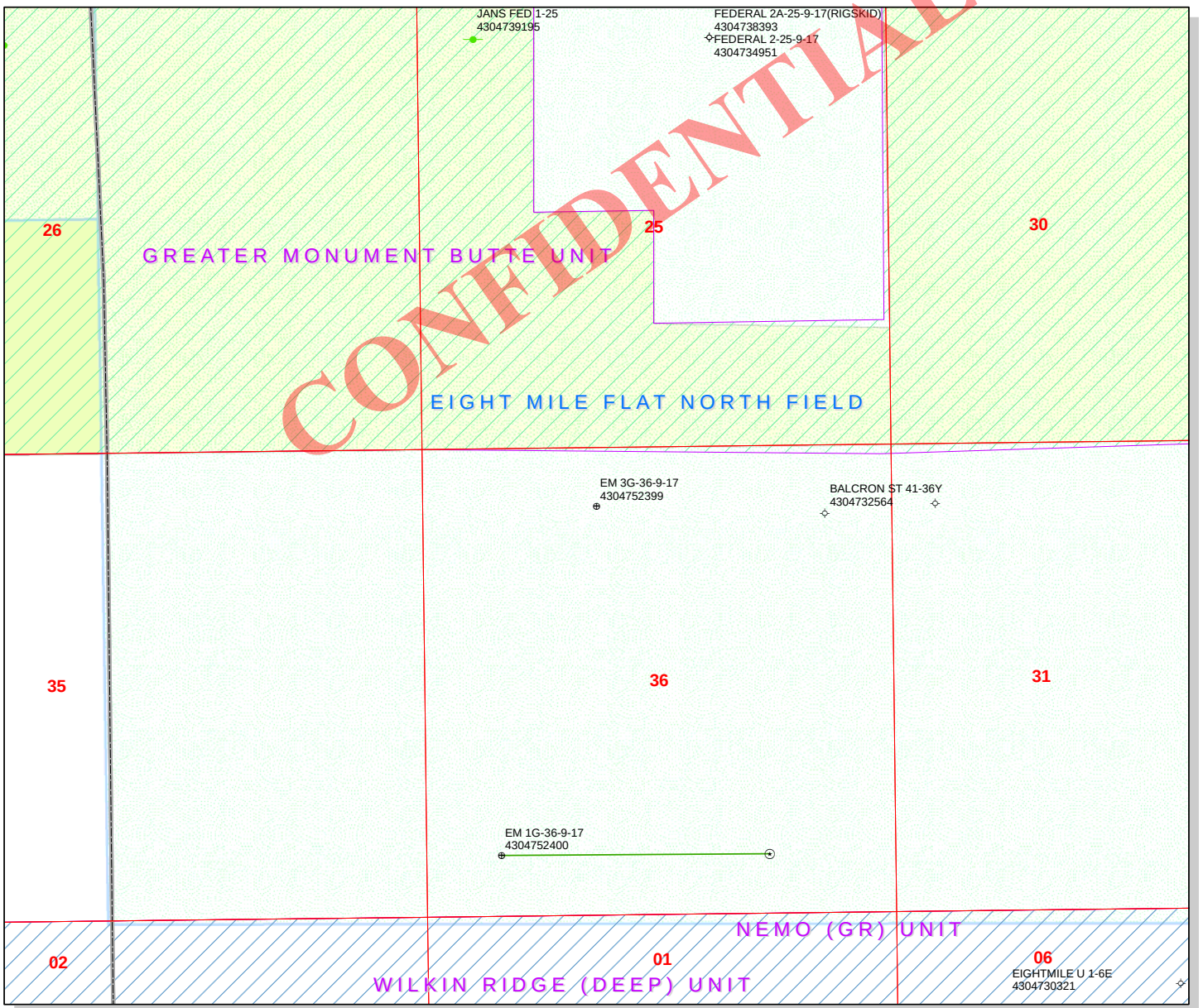
Bond coverage for lease activities is being provided by Bond No. 965010695

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operations; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Jan Nelson

2/24/2012
Date

API Well Number: 43047523990000




**API Number: 4304752399**

**Well Name: EM 3G-36-9-17**

**Township T0.9 . Range R1.7 . Section 36**

**Meridian: SLBM**

Operator: QEP ENERGY COMPANY

Map Prepared:
Map Produced by Diana Mason

**Units**
**STATUS**
ACTIVE
EXPLORATORY
GAS STORAGE
NF PP OIL
NF SECONDARY
PI OIL
PP GAS
PP GEOTHERML
PP OIL
SECONDARY
TERMINATED

**Fields**
**STATUS**
Unknown
ABANDONED
ACTIVE
COMBINED
INACTIVE
STORAGE
TERMINATED

**Wells Query**
**Status**
APD - Aproved Permit
DRL - Spuded (Drilling Commenced)
GIW - Gas Injection
GS - Gas Storage
LA - Location Abandoned
LOC - New Location
OPS - Operation Suspended
PA - Plugged Abandoned
PGW - Producing Gas Well
POW - Producing Oil Well
RET - Returned APD
SGW - Shut-in Gas Well
SOW - Shut-in Oil Well
TA - Temp. Abandoned
TW - Test Well
WDW - Water Disposal
WIW - Water Injection Well
WSW - Water Supply Well


1,500 750 0 1,500 Feet

1:13,915

RECEIVED: March 02, 2012

**From:** Jim Davis <jimdavis1@utah.gov>
**To:** Ed Bonner <edbonner@utah.gov>, LaVonne Garrison <lavonnegarrison@utah.go...
**CC:** Jan Nelson <Jan.Nelson@qepres.com>
**Date:** 6/11/2012 12:26 PM
**Subject:** APD approvals (2 for QEP)

The following APDs have been approved by SITLA including arch and paleo clearance. The approval of the EM 3G-36-9-17 is conditioned upon a permitted paleontologist being on-site to monitor the construction of that well location. There is no paleo stipulation on the EM 1G-36-9-17.

EM 1G-36-9-17 (4304752400)
EM 3G-36-9-17 (4304752399)
Thanks.
-Jim

--
jimdavis1@utah.gov
(801) 538-5156



RECEIVED: June 12, 2012

API Well Number: 43047523990000

**BOPE REVIEW QEP ENERGY COMPANY EM 3G-36-9-17 43047523990000**

| | | | | |
|---|---|---|---|---|
| **Well Name** | QEP ENERGY COMPANY EM 3G-36-9-17 43047523990000 | | | |
| **String** | Surf | Prod | | |
| **Casing Size(")** | 9.625 | 7.000 | | |
| **Setting Depth (TVD)** | 500 | 5450 | | |
| **Previous Shoe Setting Depth (TVD)** | 0 | 500 | | |
| **Max Mud Weight (ppg)** | 8.3 | 9.5 | | |
| **BOPE Proposed (psi)** | 1000 | 3000 | | |
| **Casing Internal Yield (psi)** | 3520 | 7240 | | |
| **Operators Max Anticipated Pressure (psi)** | 2692 | 9.5 | | |

| **Calculations** | **Surf String** | **9.625** | " | |
|---|---|---|---|---|
| **Max BHP (psi)** | .052*Setting Depth*MW= | 216 | | |
| | | | **BOPE Adequate For Drilling And Setting Casing at Depth?** | |
| **MASP (Gas) (psi)** | Max BHP-(0.12*Setting Depth)= | 156 | YES | rotating head/air drill |
| **MASP (Gas/Mud) (psi)** | Max BHP-(0.22*Setting Depth)= | 106 | YES | OK |
| | | | ***Can Full Expected Pressure Be Held At Previous Shoe?** | |
| **Pressure At Previous Shoe** | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= | 106 | NO | OK |
| **Required Casing/BOPE Test Pressure=** | | 500 | psi | |
| ***Max Pressure Allowed @ Previous Casing Shoe=** | | 0 | psi | *Assumes 1psi/ft frac gradient |

| **Calculations** | **Prod String** | **7.000** | " | |
|---|---|---|---|---|
| **Max BHP (psi)** | .052*Setting Depth*MW= | 2692 | | |
| | | | **BOPE Adequate For Drilling And Setting Casing at Depth?** | |
| **MASP (Gas) (psi)** | Max BHP-(0.12*Setting Depth)= | 2038 | YES | |
| **MASP (Gas/Mud) (psi)** | Max BHP-(0.22*Setting Depth)= | 1493 | YES | OK |
| | | | ***Can Full Expected Pressure Be Held At Previous Shoe?** | |
| **Pressure At Previous Shoe** | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= | 1603 | NO | REasonable |
| **Required Casing/BOPE Test Pressure=** | | 3000 | psi | |
| ***Max Pressure Allowed @ Previous Casing Shoe=** | | 500 | psi | *Assumes 1psi/ft frac gradient |

| **Calculations** | **String** | | " | |
|---|---|---|---|---|
| **Max BHP (psi)** | .052*Setting Depth*MW= | | | |
| | | | **BOPE Adequate For Drilling And Setting Casing at Depth?** | |
| **MASP (Gas) (psi)** | Max BHP-(0.12*Setting Depth)= | | NO | |
| **MASP (Gas/Mud) (psi)** | Max BHP-(0.22*Setting Depth)= | | NO | |
| | | | ***Can Full Expected Pressure Be Held At Previous Shoe?** | |
| **Pressure At Previous Shoe** | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= | | NO | |
| **Required Casing/BOPE Test Pressure=** | | | psi | |
| ***Max Pressure Allowed @ Previous Casing Shoe=** | | | psi | *Assumes 1psi/ft frac gradient |

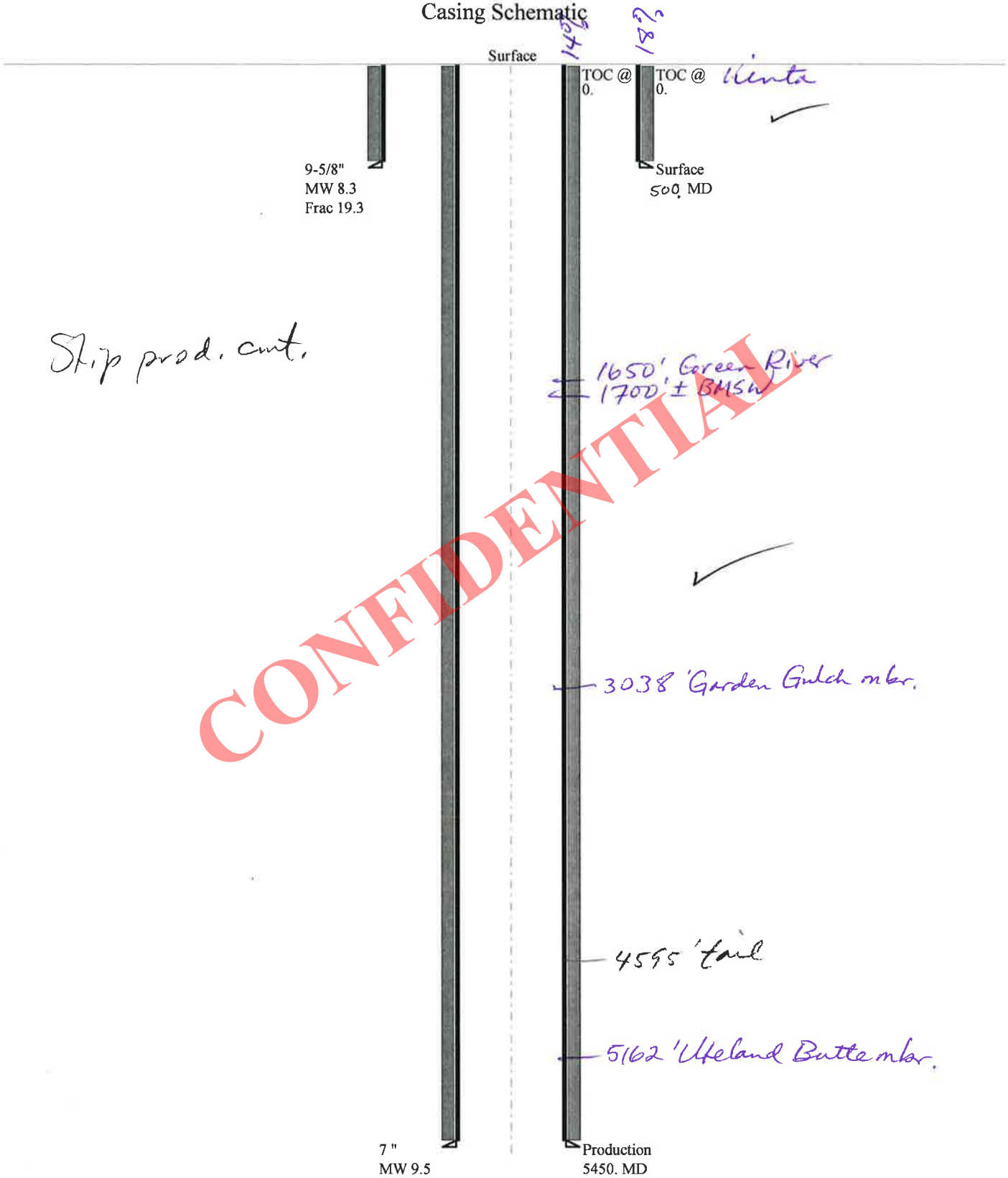
| **Calculations** | **String** | | " | |
|---|---|---|---|---|
| **Max BHP (psi)** | .052*Setting Depth*MW= | | | |
| | | | **BOPE Adequate For Drilling And Setting Casing at Depth?** | |
| **MASP (Gas) (psi)** | Max BHP-(0.12*Setting Depth)= | | NO | |
| **MASP (Gas/Mud) (psi)** | Max BHP-(0.22*Setting Depth)= | | NO | |
| | | | ***Can Full Expected Pressure Be Held At Previous Shoe?** | |
| **Pressure At Previous Shoe** | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= | | NO | |
| **Required Casing/BOPE Test Pressure=** | | | psi | |
| ***Max Pressure Allowed @ Previous Casing Shoe=** | | | psi | *Assumes 1psi/ft frac gradient |



RECEIVED: August 07, 2012

# 43047523990000 EM 3G-36-9-17

## Casing Schematic



API Well Number: 43047523990000

| | |
|---|---|
| Well name: | **43047523990000 EM 3G-36-9-17** |
| Operator: | **QEP ENERGY COMPANY** |
| String type: | Surface |
| Project ID: | 43-047-52399 |
| Location: | DUCHESNE COUNTY |

**Design parameters:**

**Collapse**
Mud weight: 8.330 ppg
Design is based on evacuated pipe.

**Burst**
Max anticipated surface pressure: 422 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 480 psi

No backup mud specified.

**Minimum design factors:**

**Collapse:**
Design factor 1.125

**Burst:**
Design factor 1.00

**Tension:**
8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 421 ft

**Environment:**
H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 81 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: Surface

**Non-directional string.**

**Re subsequent strings:**
Next setting depth: 4,740 ft
Next mud weight: 9.500 ppg
Next setting BHP: 2,339 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 480 ft
Injection pressure: 480 psi

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Est. Cost ($) |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 480 | 9.625 | 36.00 | J-55 | ST&C | 480 | 480 | 8.796 | 4172 |

| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (kips) | Tension Strength (kips) | Tension Design Factor |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 208 | 2020 | 9.725 | 480 | 3520 | 7.33 | 17.3 | 394 | 22.80 J |

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: 801 538-5357
FAX: 801-359-3940
Date: July 6,2012
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 480 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

API Well Number: 43047523990000

| | |
|---|---|
| Well name: | **43047523990000 EM 3G-36-9-17** |
| Operator: | **QEP ENERGY COMPANY** |
| String type: | Production |
| Project ID: | 43-047-52399 |
| Location: | DUCHESNE COUNTY |

**Design parameters:**

**Collapse**
Mud weight: 9.500 ppg
Design is based on evacuated pipe.

**Burst**
Max anticipated surface pressure: 1,491 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 2,690 psi

No backup mud specified.

**Minimum design factors:**

**Collapse:**
Design factor 1.125

**Burst:**
Design factor 1.00

**Tension:**
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 4,669 ft

**Environment:**
H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 150 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft

Cement top: Surface

**Non-directional string.**



| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Est. Cost ($) |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 5450 | 7 | 26.00 | N-80 | LT&C | 5450 | 5450 | 6.151 | 48452 |

| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (kips) | Tension Strength (kips) | Tension Design Factor |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2690 | 5410 | 2.011 | 2690 | 7240 | 2.69 | 141.7 | 519 | 3.66 J |

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: 801 538-5357
FAX: 801-359-3940
Date: July 6,2012
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 5450 ft, a mud weight of 9.5 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

*Engineering responsibility for use of this design will be that of the purchaser.*

# ON-SITE PREDRILL EVALUATION
## Utah Division of Oil, Gas and Mining

**Operator** QEP ENERGY COMPANY
**Well Name** EM 3G-36-9-17
**API Number** 43047523990000 **APD No** 5362 **Field/Unit** EIGHT MILE FLAT
**Location: 1/4,1/4** NENW **Sec** 36 **Tw** 9.0S **Rng** 17.0E 660 FNL 1980 FWL
**GPS Coord (UTM)** 589002 4427486 **Surface Owner**

**Participants**

Jan Nelson, Stephanie Tompkinson, Erick Wickersham, Ryan Angus and Valyn Davis (QEP), Brandon Bowthorpe (UELS), Jim Davis (SITLA), Katie Nash (BLM)

**Regional/Local Setting & Topography**

This location is flat as is the area around it for hundreds of feet except for to the west there is small draw but it is well beyond the location boundries. This site is approximately 1 mile east of the Duchesne/Uintah county line on the Eight Mile Flat. Roosevelt, Utah is approxmately 21 miles due north.



**Surface Use Plan**

**Current Surface Use**
Wildlfe Habitat

| New Road Miles | Well Pad | Src Const Material | Surface Formation |
|---|---|---|---|
| 0.34 | **Width** 198 **Length** 350 | Onsite | UNTA |

**Ancillary Facilities** N

**Waste Management Plan Adequate?** Y

**Environmental Parameters**

**Affected Floodplains and/or Wetlands** N

**Flora / Fauna**

Small sage, bunch grass, needle and thread, prickly pear, other shrubs and grasses.

Vegetation available to support some grazing

**Soil Type and Characteristics**

Sandy Clay loam with gravel on surface

**Erosion Issues** N

**Sedimentation Issues** N

**Site Stability Issues** N

**Drainage Diverson Required?** N

**Berm Required?** N

RECEIVED: August 08, 2012

**Erosion Sedimentation Control Required?** N

**Paleo Survey Run?** N **Paleo Potental Observed?** N **Cultural Survey Run?** Y **Cultural Resources?** N

## Reserve Pit

| Site-Specific Factors | | Site Ranking |
|---|---|---|
| **Distance to Groundwater (feet)** | >200 | 0 |
| **Distance to Surface Water (feet)** | >1000 | 0 |
| **Dist. Nearest Municipal Well (ft)** | >5280 | 0 |
| **Distance to Other Wells (feet)** | >1320 | 0 |
| **Native Soil Type** | Mod permeability | 10 |
| **Fluid Type** | TDS>5000 and | 10 |
| **Drill Cuttings** | Normal Rock | 0 |
| **Annual Precipitation (inches)** | | 0 |
| **Affected Populations** | | |
| **Presence Nearby Utility Conduits** | Not Present | 0 |
| | **Final Score** | 20 1 Sensitivity Level |

**Characteristics / Requirements**

The reserve pit is 90' x 30'. QEP stated their intention to use a 20 mil liner. This will be adequate for this site.

**Closed Loop Mud Required?** N **Liner Required?** Y **Liner Thickness** 20 **Pit Underlayment Required?** Y

## Other Observations / Comments

Richard Powell
**Evaluator**

4/11/2012
**Date / Time**



RECEIVED: August 08, 2012

# Application for Permit to Drill
# Statement of Basis
## Utah Division of Oil, Gas and Mining

| APD No | API WellNo | Status | Well Type | Surf Owner | CBM |
|---|---|---|---|---|---|
| 5362 | 43047523990000 | LOCKED | OW | S | No |
| **Operator** | QEP ENERGY COMPANY | | **Surface Owner-APD** | | |
| **Well Name** | EM 3G-36-9-17 | | **Unit** | | |
| **Field** | EIGHT MILE FLAT | | **Type of Work** | DRILL | |
| **Location** | NENW 36 9S 17E S 660 FNL 1980 FWL GPS Coord (UTM) 589005E 4427484N | | | | |



**Geologic Statement of Basis**

QEP proposes to set 450' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 1,700'. A search of Division of Water Rights records shows 1 water well within a 10,000 foot radius of the center of Section 36. The well is shown as producing from a depth of 300 feet and is listed for domestic use. The well is approximately 1.5 miles from the proposed location. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought up above the base of the moderately saline ground water in order to isolate it from fresher water up hole.

| Brad Hill | 6/28/2012 |
|---|---|
| **APD Evaluator** | **Date / Time** |

**Surface Statement of Basis**

This location is on state (SITLA) surface with state minerals. SITLA representative Jim Davis attended this onsite inspection and stated that he had no concerns or requests for this site. DWR representative Ben Williams was invited but did not attend. Mr. Williams stated that as the DWR representative there are no wildlife concerns with this well site. QEP plans to use a 20 mil liner. It was agreed that a felt subliner should be used based on the presence of so much gravel on the surface.

| Richard Powell | 4/11/2012 |
|---|---|
| **Onsite Evaluator** | **Date / Time** |

**Conditions of Approval / Application for Permit to Drill**

| Category | Condition |
|---|---|
| Pits | A synthetic liner with a minimum thickness of 20 mils with a felt subliner shall be properly installed and maintained in the reserve pit. |
| Surface | The reserve pit shall be fenced upon completion of drilling operations. |

RECEIVED: August 08, 2012

# WORKSHEET
# APPLICATION FOR PERMIT TO DRILL

**APD RECEIVED:** 2/24/2012
**API NO. ASSIGNED:** 43047523990000
**WELL NAME:** EM 3G-36-9-17
**OPERATOR:** QEP ENERGY COMPANY (N3700)
**PHONE NUMBER:** 435 781-4331
**CONTACT:** Jan Nelson

**PROPOSED LOCATION:** NENW 36 090S 170E
**Permit Tech Review:** ☑

**SURFACE:** 0660 FNL 1980 FWL
**Engineering Review:** ☑

**BOTTOM:** 0660 FNL 1980 FWL
**Geology Review:** ☑

**COUNTY:** UINTAH
**LATITUDE:** 39.99285
**LONGITUDE:** -109.95742
**UTM SURF EASTINGS:** 589005.00
**NORTHINGS:** 4427484.00
**FIELD NAME:** EIGHT MILE FLAT
**LEASE TYPE:** 3 - State
**LEASE NUMBER:** ML51206
**PROPOSED PRODUCING FORMATION(S):** UTELAND BUTTE
**SURFACE OWNER:** 3 - State
**COALBED METHANE:** NO



**RECEIVED AND/OR REVIEWED:**

- ☑ **PLAT**
- ☑ **Bond:** STATE - 965010695
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☑ **Water Permit:** A36125/ 49-2153/ 43-11787
- ☐ **RDCC Review:**
- ☐ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

**Commingling Approved**

**LOCATION AND SITING:**

- ☐ **R649-2-3.**

**Unit:**

- ☐ **R649-3-2. General**
- ☐ **R649-3-3. Exception**
- ☑ **Drilling Unit**

**Board Cause No:** R649-3-2
**Effective Date:**
**Siting:**

- ☐ **R649-3-11. Directional Drill**

**Comments:** Presite Completed

**Stipulations:**
5 - Statement of Basis - bhill
12 - Cement Volume (3) - hmacdonald
23 - Spacing - dmason

RECEIVED: August 08, 2012

GARY R. HERBERT
*Governor*
GREGORY S. BELL
*Lieutenant Governor*

# State of Utah
**DEPARTMENT OF NATURAL RESOURCES**
MICHAEL R. STYLER
*Executive Director*
**Division of Oil, Gas and Mining**
JOHN R. BAZA
*Division Director*

# Permit To Drill
**********

**Well Name:** EM 3G-36-9-17
**API Well Number:** 43047523990000
**Lease Number:** ML51206
**Surface Owner:** STATE
**Approval Date:** 8/8/2012

**Issued to:**
QEP ENERGY COMPANY, 11002 East 17500 South, Vernal, Ut 84078

**Authority:**
Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the UTELAND BUTTE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

**Duration:**
This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

**General:**
Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**Conditions of Approval:**
This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the “Board”). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Cement volume for the 7" production string shall be determined from actual hole

diameter in order to place cement from the pipe setting depth back to surface as indicated in the submitted drilling plan.

**Additional Approvals:**
The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan - contact Dustin Doucet
- Significant plug back of the well - contact Dustin Doucet
- Plug and abandonment of the well - contact Dustin Doucet

**Notification Requirements:**
The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels
  OR
  submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website
  at http://oilgas.ogm.utah.gov
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing - contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program
  - contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well - contact Dan Jarvis

**Contact Information:**
The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
  801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
  801-231-8956 - after office hours

**Reporting Requirements:**
All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

**Approved By:**

For John Rogers
Associate Director, Oil & Gas

**STATE OF UTAH**
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

**5.LEASE DESIGNATION AND SERIAL NUMBER:** ML51206

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

**6. IF INDIAN, ALLOTTEE OR TRIBE NAME:**

**7.UNIT or CA AGREEMENT NAME:**

**1. TYPE OF WELL**
Oil Well

**8. WELL NAME and NUMBER:** EM 3G-36-9-17

**2. NAME OF OPERATOR:**
QEP ENERGY COMPANY

**9. API NUMBER:** 43047523990000

**3. ADDRESS OF OPERATOR:**
11002 East 17500 South , Vernal, Ut, 84078

**PHONE NUMBER:** 303 308-3068 Ext

**9. FIELD and POOL or WILDCAT:** EIGHT MILE FLAT

**4. LOCATION OF WELL**
**FOOTAGES AT SURFACE:**
0660 FNL 1980 FWL
**QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:**
Qtr/Qtr: NENW Section: 36 Township: 09.0S Range: 17.0E Meridian: S

**COUNTY:** UINTAH

**STATE:** UTAH

**11.**
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|---|
| ✓ NOTICE OF INTENT<br>Approximate date work will start:<br>8/8/2014 | ☐ ACIDIZE | ☐ ALTER CASING | ☐ CASING REPAIR |
| | ☐ CHANGE TO PREVIOUS PLANS | ☐ CHANGE TUBING | ☐ CHANGE WELL NAME |
| | ☐ CHANGE WELL STATUS | ☐ COMMINGLE PRODUCING FORMATIONS | ☐ CONVERT WELL TYPE |
| ☐ SUBSEQUENT REPORT<br>Date of Work Completion: | ☐ DEEPEN | ☐ FRACTURE TREAT | ☐ NEW CONSTRUCTION |
| | ☐ OPERATOR CHANGE | ☐ PLUG AND ABANDON | ☐ PLUG BACK |
| | ☐ PRODUCTION START OR RESUME | ☐ RECLAMATION OF WELL SITE | ☐ RECOMPLETE DIFFERENT FORMATION |
| ☐ SPUD REPORT<br>Date of Spud: | ☐ REPERFORATE CURRENT FORMATION | ☐ SIDETRACK TO REPAIR WELL | ☐ TEMPORARY ABANDON |
| | ☐ TUBING REPAIR | ☐ VENT OR FLARE | ☐ WATER DISPOSAL |
| ☐ DRILLING REPORT<br>Report Date: | ☐ WATER SHUTOFF | ☐ SI TA STATUS EXTENSION | ✓ APD EXTENSION |
| | ☐ WILDCAT WELL DETERMINATION | ☐ OTHER | OTHER: |

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**

QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION ON THE APD FOR THE ABOVE CAPTIONED WELL.

**Approved by the Utah Division of Oil, Gas and Mining**

**Date:** August 07, 2013

**By:** 

| NAME (PLEASE PRINT) | PHONE NUMBER | TITLE |
|---|---|---|
| Jan Nelson | 435 781-4331 | Permit Agent |
| **SIGNATURE** | | **DATE** |
| N/A | | 8/6/2013 |

RECEIVED: Aug. 06, 2013

## The Utah Division of Oil, Gas, and Mining

**- State of Utah**
**- Department of Natural Resources**

**Electronic Permitting System - Sundry Notices**

## Request for Permit Extension Validation Well Number 43047523990000

**API:** 43047523990000
**Well Name:** EM 3G-36-9-17
**Location:** 0660 FNL 1980 FWL QTR NENW SEC 36 TWNP 090S RNG 170E MER S
**Company Permit Issued to:** QEP ENERGY COMPANY
**Date Original Permit Issued:** 8/8/2012

**The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.**

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

**Signature:** Jan Nelson **Date:** 8/6/2013
**Title:** Permit Agent **Representing:** QEP ENERGY COMPANY

RECEIVED: Aug. 06, 2013

# STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

**5.LEASE DESIGNATION AND SERIAL NUMBER:** ML51206

**6. IF INDIAN, ALLOTTEE OR TRIBE NAME:**

**7.UNIT or CA AGREEMENT NAME:**

**1. TYPE OF WELL** Oil Well

**8. WELL NAME and NUMBER:** EM 3G-36-9-17

**2. NAME OF OPERATOR:** QEP ENERGY COMPANY

**9. API NUMBER:** 43047523990000

**3. ADDRESS OF OPERATOR:** 11002 East 17500 South , Vernal, Ut, 84078

**PHONE NUMBER:** 303 308-3068 Ext

**9. FIELD and POOL or WILDCAT:** 8 MILE FLAT NORTH

**4. LOCATION OF WELL**
**FOOTAGES AT SURFACE:** 0660 FNL 1980 FWL
**QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:** Qtr/Qtr: NENW Section: 36 Township: 09.0S Range: 17.0E Meridian: S

**COUNTY:** UINTAH

**STATE:** UTAH

**11.** CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|---|
| ✓ NOTICE OF INTENT<br>Approximate date work will start: 8/8/2015 | ☐ ACIDIZE | ☐ ALTER CASING | ☐ CASING REPAIR |
| ☐ SUBSEQUENT REPORT<br>Date of Work Completion: | ☐ CHANGE TO PREVIOUS PLANS | ☐ CHANGE TUBING | ☐ CHANGE WELL NAME |
| | ☐ CHANGE WELL STATUS | ☐ COMMINGLE PRODUCING FORMATIONS | ☐ CONVERT WELL TYPE |
| | ☐ DEEPEN | ☐ FRACTURE TREAT | ☐ NEW CONSTRUCTION |
| | ☐ OPERATOR CHANGE | ☐ PLUG AND ABANDON | ☐ PLUG BACK |
| ☐ SPUD REPORT<br>Date of Spud: | ☐ PRODUCTION START OR RESUME | ☐ RECLAMATION OF WELL SITE | ☐ RECOMPLETE DIFFERENT FORMATION |
| | ☐ REPERFORATE CURRENT FORMATION | ☐ SIDETRACK TO REPAIR WELL | ☐ TEMPORARY ABANDON |
| | ☐ TUBING REPAIR | ☐ VENT OR FLARE | ☐ WATER DISPOSAL |
| ☐ DRILLING REPORT<br>Report Date: | ☐ WATER SHUTOFF | ☐ SI TA STATUS EXTENSION | ✓ APD EXTENSION |
| | ☐ WILDCAT WELL DETERMINATION | ☐ OTHER | OTHER: |

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**

QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR THE APD ON THE ABOVE CAPTIONED WELL.

Approved by the
Utah Division of
Oil, Gas and Mining
August 06, 2014
Date:
By:

| NAME (PLEASE PRINT) | PHONE NUMBER | TITLE |
|---|---|---|
| Valyn Davis | 435 781-4369 | Regulatory Affairs Analyst |
| **SIGNATURE** N/A | | **DATE** 8/5/2014 |

RECEIVED: Aug. 05, 2014

## The Utah Division of Oil, Gas, and Mining

**- State of Utah**
**- Department of Natural Resources**

**Electronic Permitting System - Sundry Notices**

## Request for Permit Extension Validation Well Number 43047523990000

**API:** 43047523990000
**Well Name:** EM 3G-36-9-17
**Location:** 0660 FNL 1980 FWL QTR NENW SEC 36 TWNP 090S RNG 170E MER S
**Company Permit Issued to:** QEP ENERGY COMPANY
**Date Original Permit Issued:** 8/8/2012

**The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.**

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

**Signature:** Valyn Davis **Date:** 8/5/2014
**Title:** Regulatory Affairs Analyst **Representing:** QEP ENERGY COMPANY

RECEIVED: Aug. 05, 2014

GARY R. HERBERT
*Governor*
SPENCER J. COX
*Lieutenant Governor*

# State of Utah
**DEPARTMENT OF NATURAL RESOURCES**
MICHAEL R. STYLER
*Executive Director*
**Division of Oil, Gas and Mining**
JOHN R. BAZA
*Division Director*

August 20, 2015

QEP Energy Company
11002 East 17500 South
Vernal, UT 84078

Re: APD Rescinded – EM 3G-36-9-17, Sec. 36 T.9S, R.17E, Uintah County, Utah API No. 43-047-52399

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 8, 2012. On August 7, 2013 and August 6, 2014, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 20, 2015.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING